

**MWI 5143.1  
REVISION K**

**EFFECTIVE DATE: March 22, 2021  
EXPIRATION DATE: March 22, 2026**

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# **MARSHALL WORK INSTRUCTION**

**PS01**

## **CONTRACT CHANGE PROCESS**

**COMPLIANCE IS MANDATORY**

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## DOCUMENT HISTORY LOG

Status (Baseline/ Revision/ Change/ Revalidation/ Canceled)	Document Revision/ Change	Effective Date	Description
Baseline		5/14/99	Document converted from MSFC-P06.1-C06 to a Directive. Previous history retained in system as part of canceled or superseded ISO Document files.
Revision	A	8/16/99	Changes made to reflect new organizational codes. Editorial corrections made at 6, 6.a.(1), 6.b.(3), 9.a., and Appendix B.
Revision	B	6/25/01	Document renumbered to reflect format required by MPG 1410.2. Revised paragraph 1, Purpose, to delete reference to MSFC Quality System and add MPG 5000.1. Revised Paragraph 6, Instructions, to add a Project's Configuration Control Board Directive from the Space Shuttle Projects Office as a means of submitting requesting changes to the CO (Subparagraph 6.2). Revise Subparagraph 6.2.6 to include "negotiate an equitable adjustment for the contract change and".
Revision	C	8/13/01	Revised Paragraph 3, Applicable documents, to add Procurement Information Circular (PIC) 01-16. Revised Subparagraph's 6.1 and 6.2.2 to add PIC 01-16. Revised Appendix C Paragraph a. to change \$1,000,000 to read \$100,000 and add PIC 01-16.
Revision	D	8/26/02	Revised Paragraph 3, Applicable Documents, to delete PIC 01-16; Paragraph 6.1 and 6.2.2, deleted PIC 01-16; Appendix B, revised paragraph numbers; Appendix C, added "Procedures" to title, paragraph a (now C.1.1), revised to require approval of Procurement Officer on UCAs under \$100,000; paragraph b. (now C.1.2), changed requirement for issuing UCAs as a bilateral agreement to \$100,000; new C.1.3, requires funding profile prior to execution of over a \$1M; paragraph c. (now C.1.4) changed Legal Office to Office of Chief Counsel, added requirement for Procurement Officer signature on Contract Change Authorization; new C.2, added exceptions to the requirement for Center Director or Procurement Office approval.
Revision	E	5/22/03	Updated Master List URL in footers. 3.4 changed title of MWI 5100.1, Procurement "Initiators" Guide to read Procurement "Requisitioners" Guide. Deleted the word "Initiator" and substituted "Requisitioner" throughout the document. Revised Appendix C to change the approval process for contracts that directly support the International Space Station or the Space Shuttle Program; added C.1.2 for processing undefinitized changes issued under contracts with "Swing Clauses" threshold.
Revision	F	9/26/2004	Throughout the document, denoted requirements with the verb "shall". Throughout the document, revised references from MWI 5100.1 PRG to IPR, MPG to MPR and NPG to NPR. Throughout the document, made grammatical, formatting and renumbering revisions as appropriate. Added NPR 1441.1 "NASA Retention Records Schedules" to Applicable Documents. Revised references to "Purchase Request" to read "Procurement Requisition". Paragraph 9.1, revised to include the title of NFS 1441.1.
Revision	G	3/6/2007	Throughout the document made grammatical, formatting, and renumbering revisions as appropriate. Revised definitions of Contract Specialist, COTR, and Requisitioner in 5. Definitions. Added definition of HCA, S&MA, and Special Provision for Contract Changes in 5. Definitions. Added action required by S&MA in 6.2. Revised Space Shuttle Projects Office to Shuttle Propulsion Office in 6.2.1. Added Note addressing special clauses that do not require contract value adjustments in 6.2.2.1. Revised Records Retention requirement in 9.1, Records. Added MSFC Form 3748 in 9.2,

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			Forms. Revised Cancellation date and revision number in 12, Cancellation. Revised Contract Change Process Flow Diagram in Appendix A. Moved Note 1 addressing special clauses that do not require contract value adjustments in 6.2.2 from Appendix A to 6.2.2.1. Revised Appendix C to include approvals for the issuance of UCAs exceeding \$100K on SOMD and ESMD. Revised Appendix C to include approvals for the issuance of UCAs exceeding \$100K on SOMD and ESMD. Revised Appendix C to include Contract Changes to IT systems. Clarified financial reporting requirements. Added Appendix D to provide directions for outsourced fabrication services contract change process. Added Appendix E to include Retention Records schedule.
Revision	H	5/13/2008	Revised 2. Applicability statement to address the applicability of this directive to the Michoud Assembly Facility.
Revision	I	6/16/2010	Throughout the document made grammatical, formatting, and renumbering revisions as appropriate. Revised Applicability statement. In 6.2.2.1 and 6.2.2.2, added requirement for proposed contract modifications incorporating “new work” or if action is of significant interest to HQ, or if it has agency public information implications. In 6.2.6 NOTE, added references to 6.2.2.1 and 6.2.2.2. Moved Appendix B, C and D to Chapters 1, 2 and 3. Added Acronyms to Appendix B. Moved Appendix E Records Retention to 9. Records. [On 4/12/11, at the request of the OPRD, administrative changes made at 9.2.1 to address SAT change, at Appendix B to add acronyms, and throughout to correct format, urls, and grammar.]
Change	1	1/17/2014	On 1/17/14, at the request of the OPRD, administrative changes made to revise all COTR references to COR. Deleted Chapter 3, “Outsource Fabrication Services Contract Change Process,” which is obsolete. At 9.3, deleted reference to MSFC Form 3748 which is obsolete.
Revision	J	4/6/2016	Released for five (5) year Center review as required by MPR 1410.2. Some paragraphs were reworded for clarity, but no requirements have been changed or added. Added two additional Applicability statements at 2.3 & 2.4 as required by NPR 1400.1. Reformatted to comply with new required template per MPR 1410.2 & as instructed in MWI 1410.1.
Change	1	10/12/2016	On 10/12/16, at the request of the OPRD, an administrative change was made at 5.4.7 to update the exceptions to the requirement for HCA, or Procurement Officer approval of UCAs.
Change	2	2/22/2018	On 2/22/18, at the request of the OPRD, an administrative change was made to correct wording in Appendix D, Records.
Revision	K	3/22/2021	Removed FAR 15.4 proposal submission information and contract file requirements. Also, updated approval authority for UCAs based on updates to the NFS.

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## 1. PURPOSE

The purpose of this MWI is to provide the process by which a MSFC contract is modified and work instructions for implementing requirements defined in MPR 5000.1.

## 2. APPLICABILITY

2.1 This MWI applies to Center personnel, programs, projects, and activities, including contractors and resident agencies to the extent specified in their respective contracts or agreements. (“Contractors,” for purposes of this paragraph, include contractors, grantees, Cooperative Agreement recipients, Space Act Agreement partners, or other agreement parties.)

2.2 This MWI applies to the Michoud Assembly Facility.

2.3 This MWI applies the following: all mandatory actions (i.e., requirements) are denoted by statements containing the term “shall.” The terms: “may” or “can” denote discretionary privilege or permission; “should” denotes a good practice and is recommended, but not required; “will” denotes expected outcome; and “are/is” denotes descriptive material.

2.4. This MWI applies the following: all document citations are assumed to be the latest version unless otherwise noted.

## 3. AUTHORITY

MPR 5000.1, Purchasing

## 4. APPLICABLE DOCUMENTS and FORMS

4.1 Federal Acquisition Regulation (FAR)

4.2 NASA Federal Acquisition Regulation Supplement (NFS)

4.3 NRRS 1441.1, NASA Records Retention Schedules

4.4 MWI 5100.1, Initiating Procurement Requisitions

4.5 PS-OWI-05, Review and Approval of Procurement Documents

4.6 PS-OWI-07, Noncompetitive Procurement Documentation

4.7 NASA Form 1098, Checklist for Contract Award File Content

4.8 MSFC Form 4063, Procurement Routing Slip

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#### 4.9 MSFC Form 4179, MSFC Contracting Officers Instruction Sheet (COSIS)

### 5. INSTRUCTIONS

5.1 This MWI relates primarily to the administration of contracts greater than the simplified acquisition threshold (SAT) (as defined at FAR 2.101). Roles of the various organizations and personnel involved vary with the phase of the change order/modification process, as identified in subsequent paragraphs. All changes to a contract shall be made in strict compliance with regulations as set forth in the FAR and NFS.

5.1.1 The Undefined Contract Action (UCA) shall be issued in accordance with the instructions contained in NFS Subpart 1843.70. Specific MSFC instructions regarding issuance of UCAs are set forth in 5.3.

#### 5.2 ACTION BY CONTRACTING OFFICER (CO), CONTRACT SPECIALIST, CONTRACTING OFFICER REPRESENTATIVE (COR) AND SAFETY AND MISSION ASSURANCE (SMA).

5.2.1 Change(s) in contract requirements can be requested by the COR, the contractor, or the CO, but only the CO shall direct the contractor to perform the changed work.

5.2.1.1 Requests for changes shall be submitted to the CO in writing, utilizing any form or format acceptable to the CO (e.g., in Space Launch System Program Office, requests utilize the MSFC Form 4179, "Contracting Officer's Special Instruction Sheet (COSIS)," or a Project's Configuration Control Board Directive (CCBD) provided that when a CCBD is used, the funding information required by the COSIS would be included).

5.2.1.2 A proposed change to the contract that impacts either cost or technical requirements (e.g., changes to the statement of work, specification, period or place of performance, or delivery schedule) shall be reviewed and approved by the COR and responsible organization/personnel (CCB, if applicable or Project Manager) prior to submission to the CO for appropriate action.

5.2.1.3 The respective SMA program/project representative shall review the change to update applicable quality requirements.

5.2.1.4 The CO shall, in consultation with the COR and resources personnel, confirm in writing that adequate resource funding is available, or in the case of incrementally-funded contracts, will be made available.

5.2.1.5 Any proposed change determined by the CO to be a "new work" addition to the contract (not authorized within the terms and conditions of the respective contract), shall be supported by appropriate contract documentation. (See MWI 5100.1 and PS-OWI-07.)

5.2.2 Once the change has been authorized internally and is expected to require an equitable

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adjustment of cost and/or fee, the CO shall verify the availability of funds.

5.2.2.1 The CO shall comply with NFS 1805.303 regarding Headquarters Public Announcements (PA) and/or an Administrator Notification of a Significant Contract Action (ANOSCA) for proposed contract modifications incorporating “new work” or if the CO, after consultation with NASA Headquarters, considers the contract action to be of significant interest to Headquarters or if it has Agency public information implications.

5.2.2.2 The CO shall comply with FAR 5.2, NFS 1805.2, FAR 5.3, and/or NFS 1805.3 regarding synopsisizing a proposed modification incorporating “new work” or additional supplies or services.

5.2.2.3 The CO shall request the contractor to submit a cost and/or technical proposal reflecting the planned implementation of the change (see 5.3), or issue a UCA in accordance with NFS 1843.70 and 5.3, authorizing the contractor to implement the change and submit a cost and/or technical proposal.

*NOTE: Some contracts contain special clause(s) that do not require contract value adjustment for changes within established cost thresholds.*

5.2.3 The CO shall monitor the contractor progress in preparing and submitting proposals and resolving any questions or issues that might arise.

5.2.4 Upon receipt of the contractor’s proposal, the CO shall ensure that it is evaluated in accordance with the FAR and NFS.

5.2.4.1 The COR shall be responsible for submitting to the CO a technical evaluation using the agency wide NASA Technical Evaluation Report Template (located in the MSFC Office of Procurement website).

5.2.5 Contractor proposals reflecting claims against the Government shall be coordinated by the CO through the Office of the General Counsel – Marshall and evaluated generally in the same manner as proposals for equitable adjustments resulting from changes to the contract.

5.2.6 Subsequent to evaluation, the CO or Contract Specialist shall negotiate an equitable adjustment for the contract change and document the results of the evaluation and negotiation with the contractor in a negotiation memorandum which is part of the modification file. (See agency wide prenegotiation position and price negotiation templates).

5.2.6.1 The CO or Contract Specialist shall prepare and the CO issues a modification incorporating the agreed-to changes. (See PS-OWI-05.)

5.2.7 The COR shall monitor the implementation of the change if there is a technical impact and report any discrepancies to the CO.

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### 5.3 MSFC UCA CHANGE POLICY AND PROCESSING PROCEDURES

5.3.1 The following processing procedures shall apply to UCAs:

5.3.1.1 UCAs in support of the Human Exploration and Operations Mission Directorate (HEOMD) contracts shall be approved by the Director of the Office of Procurement's Strategic Operations Division (NFS 1802.101).

5.3.1.2 Per NFS 1843.7003(a) (1), issuance of undefinitized contract actions shall be approved in writing by the Head of the Contracting Activity (HCA). (See NFS 1802.101 for the current HCA listing)

5.3.1.3 Contract changes which involve changes to Information Technology (IT) systems shall be reviewed and approved by the Center Chief Information Officer (CIO) in compliance with the agency requirements.

5.3.2 The following shall apply for required changes that are issued prior to negotiation under contracts that include a Special Provision for Contract Changes threshold, sometimes referred to as a "Swing Clause."

5.3.2.1 If the cost estimate for a required change is unknown or in excess of the "Swing Clause" threshold, the change shall be considered a UCA and processed in accordance with 5.3.1.

5.3.2.2 If the cost estimate for the change is within the "Swing Clause" or threshold, the change shall not be processed as a UCA.

## 6. CANCELLATION

MWI 5143.J-2, Contract Change Process dated April 6, 2014.

*Electronically approved by*

Steven C. Miley for  
Jody Singer  
Director

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## APPENDIX A

### DEFINITIONS

Change Order. A written unilateral contract modification issued pursuant to the contract “Changes” clause and signed by the CO. A change order directs the contractor to make a change in the terms, conditions and/or specifications of the contract.

Claim. A formal cost proposal submitted by the contractor seeking, as a matter of right, the equitable adjustment of contract cost and/or fee, arising from causes other than a change to the contract. This includes, for example, claims arising from compliance with new or revised Government environmental regulations, or from contract overruns. For purposes of this MWI, “claim” does not include claims under the Contract Disputes Act of 1978, which are handled in accordance with the Disputes clause in the affected contract.

Configuration Control Board (CCB). Established formally by a program/project to document, review, evaluate and disposition all changes, and to exercise configuration control on all established baselines throughout the program/project life cycle.

Contract. A mutually binding legal relationship obligating the contractor to furnish the supplies or services (including construction) and MSFC to pay for them. It includes all types of commitments that obligate the Government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards, job orders or task letters issued under basic ordering agreements, letter contracts, orders, such as purchase orders under which the contract becomes effective by written acceptance or performance, and bilateral contract modifications. Contracts do not include grants, cooperative agreements, and delivery orders with other Government agencies.

Contract Specialist. A person with specialized training in procurement and knowledgeable of the FAR and NFS who assists the CO in performing their responsibilities.

Contracting Officer (CO). A person, appointed in accordance with the FAR and NFS, with the sole authority to enter into, administer, change, and/or terminate Government contracts and to make related determinations and findings within the limits of their certificates of appointment.

Contracting Officer Representative (COR). A qualified Government employee appointed by the CO to act as their technical representatives in managing the technical aspects of a particular contract. These individuals are recommended based on their training, qualifications, and experience commensurate with the duties and responsibilities to be delegated and the nature of the contract.

Contractor. The organization that provides a product or service to MSFC in a contractual situation.

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Head of the Contracting Activity (HCA). Head of the contracting activity (HCA)” means the Procurement Officer of the buying location, except in the certain situations. (See NFS 1802.201.)

Modification. Any written change, either bilateral or unilateral, to the terms of a contract. A bilateral modification (Supplemental Agreement) is a contract modification that is signed by the contractor and the CO. A bilateral modification is used to make negotiated adjustments resulting from the issuance of a change order, definitize letter contracts, and reflect other agreements of the parties modifying the terms of the contract. A unilateral modification is a contract modification that is signed only by the CO. A unilateral modification is used, for example, to make administrative changes, issue change orders, make changes authorized by clauses other than a changes clause (e.g., property clause, option clause), and issue termination notices.

Special Provision for Contract Changes. A provision in a contract whereby there is an agreed upon threshold below which changes to the Statement of Work do not require adjustments to the contract value commonly referred to as a “Swing Clause.”

Undefinitized Contract Action (UCA). A unilateral or bilateral contract modification or delivery/task order in which the final price or estimated cost and fee have not been negotiated and mutually agreed to by the CO and the contractor.

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## **APPENDIX B**

### **ACRONYMS**

ANOSCA	Administrator Notification of a Significant Contract Action
CIO	Chief Information Officer
CCB	Configuration Control Board
CCBD	Configuration Control Board Directive
CO	Contracting Officer
COR	Contracting Officer Representative
COSIS	Contracting Officer's Special Instruction Sheet
FAR	Federal Acquisition Regulation
HCA	Head of the Contracting Activity
HEOMD	Human Exploration and Operations Mission Directorate
IT	Information Technology
MPR	Marshall Procedural Requirement
MSFC	Marshall Space Flight Center
MWI	Marshall Work Instruction
NFS	NASA Federal Acquisition Regulation Supplement
NRRS	NASA Records Retention Schedule
NSSC	NASA Shared Services Center
OWI	Organizational Work Instruction
PA	Public Announcement
SMA	Safety & Mission Assurance
SAT	Simplified Acquisition Threshold
UCA	Un definitized Contract Action

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**APPENDIX C**  
**VERIFICATION MATRIX**

None

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## APPENDIX D

### RECORDS

#### D.1 Retention Schedule.

D.1.1 Office of Procurement records retention requirements are set forth in accordance with FAR Subpart 4.8, Storage, handling, and disposal of contract files, NFS 1804.8, Government Contract Files, and NRRS 1441.1, Schedule 5.

D.1.1.1 The retention period for the disposal of contract files (including acquisitions below the SAT) is 6 years after final payment or cancellation, NRRS 5/1/A.

*NOTE 1: Programs/Projects may have other retention requirements with respect to Corporate Agreement Notices or NASA Research Announcements. (Reference NRRS 1441.1.).*

*NOTE 2: Training records are maintained by the Office of Human Capital in SATERN in accordance with NRRS 3.*

*NOTE 3: See NRRS 5/1/E/2 if contract has been selected by the Associate Administrator for Procurement as precedent setting or unique.*

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## APPENDIX E

### CONTRACT CHANGE PROCESS FLOW DIAGRAM

